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State of Utah

Department of Commerce

Division of Securities

FRANCINE A. GIANI
Executive Director

THAD LEVAR
Deputy Director

WAYNE KLEIN
Director of Securities

NEWS RELEASE

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Former Securities Broker Accused of Fraudulent Stock Promotion

Investor was told his \$30,000 would be used to resell a block of oil company stock . . .

SALT LAKE CITY, Utah – The Utah Division of Securities today issued an Order to Show Cause against Frank J. Gillen, of San Diego, California. The Order alleges that Gillen took \$30,000 from an investor to buy stock in a publicly-traded Utah company named Garb Oil & Power, but lied to the investor and failed to disclose adequate information about the investment.

According to the Division, Gillen told the investor that Garb Oil had substantial business worldwide, including a contract to ship steel from Russia to China. Gillen claimed he had purchased a block of 1.7 million shares of Garb Oil stock for seven cents per share and the value was already double that. The investor was told his money would be used to buy another block of stock that would be resold to others at a huge profit. Gillen told the investor that the stock would be resold through Danube Investment Group and that the investor would receive half the profits from the resale.

The Order alleges that Gillen falsely told the investor that he (Gillen) did not need to be licensed to buy stock and resell it. Gillen had the investor open a brokerage account at Alpine Securities, in Salt Lake, supposedly to receive the block of shares Gillen said he purchased with money from the investor. When the shares were not transferred, Gillen blamed Alpine and told the investor to open an account at another firm, Wilson-Davis. The shares never were transferred and Gillen gave a number of false excuses for why the shares were not delivered.

The Division charged Gillen with two counts: engaging in fraudulent practices in the sale of securities and making misrepresentations to investors when selling stock. The Order alleges that contrary to his representations, Gillen had purchased less than a tenth of the stock he claimed to have bought, the price of Garb Oil stock had never been as high as Gillen claimed, and that Gillen failed to disclose that his securities license was revoked by the NASD in 2003.

The investor eventually received \$12,363 from Gillen, but is still owed over \$17,000. A hearing has been set for March 22 at which Gillen will have an opportunity to dispute the Division's allegations.

Gillen is also a respondent in a separate enforcement case brought by the Division in September 2006 against City Lips Cosmetics and its former officers, including Gillen.